

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Romero Analyst: Darrine Distefano Bill Number: SB 1496

Related Bills: See Prior Analysis Telephone: 845-6458 Amended Date: April 27, 2004

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Corporations/Tax Disclosure Statement

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED April 12, 2004. STILL APPLIES.

☒ OTHER - See comments below.

SUMMARY

This bill would require publicly traded companies, financial institutions, and insurance companies to disclose specific information to the Secretary of State (SOS).

SUMMARY OF AMENDMENTS

The April 27, 2004, amendment would prohibit the SOS from requiring the items on the California tax return to be disclosed that are not otherwise made public at the state or federal level.

The April 27th amendments do not impact the department. However, a technical consideration is added to address a possible conflict with the amendment and the list of required items. The remainder of the department's analysis of the bill as amended April 12, 2004, still applies.

POSITION

Pending.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

5/25/04

TECHNICAL CONSIDERATION

This bill would prohibit the SOS from releasing confidential income tax items to the public. However, the bill continues to require the SOS make public several confidential tax related items. These provisions seem to conflict with one another and may cause confusion for the reporting entities and the SOS as to what should or should not be disclosed. The author may wish to amend the list of required items to be consistent with current federal and state law.

LEGISLATIVE STAFF CONTACT

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